



# COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR



KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 437  
LOS ANGELES, CA 90012

**MARK J. SALADINO**  
TREASURER AND TAX COLLECTOR

## ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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21 July 14, 2009

June 30, 2009

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

### **TREASURER AND TAX COLLECTOR DEFAULTED PROPERTY TAX REDUCTION PROGRAM (ALL DISTRICTS – 3 VOTES)**

#### **SUBJECT**

Significant revenues are lost each year as a result of taxpayers who fail to pay tax obligations on time. Delinquencies impose an economic burden on the County and its taxpayers. The accompanying ordinance ensures that individuals and businesses that benefit financially from providing goods and services to the County fulfill their property tax obligations.

#### **IT IS RECOMMENDED THAT YOUR BOARD:**

Approve the accompanying ordinance amending Title 2, Administration of the County Code, by adding Chapter 2.206, Defaulted Property Tax Reduction Program to require individuals and businesses that contract with the County to remain current in all property tax obligations as a condition of doing business with the County.

#### **PURPOSE / JUSTIFICATION OF RECOMMENDATION**

Significant revenues are lost each year as a result of taxpayers who fail to pay their property tax obligations on time. The delinquencies impose an economic burden

upon the County and its taxpayers. Therefore, the accompanying ordinance requires individuals and businesses that benefit financially from contracts with the County to maintain a current tax status and prevent their property tax obligations (secured and unsecured roll) from being deemed defaulted by operation of law. Under the program, any contractor whose County property taxes are found by the TTC to be defaulted shall be notified and provided ten days to cure the default or may be denied a new/renewed County contract or agreement, or may have a current contract terminated with a potential for disbarment.

### **Implementation of the Strategic Plan**

Approval of the accompanying ordinance will further the County Strategic Plan, Organizational Effectiveness, by ensuring that individuals and businesses doing business with the County are meeting their property tax obligations.

### **FISCAL IMPACT / FINANCING**

There is no negative fiscal impact to the County. Also, property tax revenues are apportioned to other taxing agencies in the County.

### **FACTS AND PROVISIONS / LEGAL REQUIREMENTS**

The accompanying ordinance will apply to all new solicitations for bids or proposals issued 60 days after the effective date of the ordinance. It shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective ordinance.

Contractors found to be in default on County property taxes will be given ten business days to cure the default. Failure to cure the default may result in the award of a new contract to the next lowest responsive and responsible bidder and may subject an existing contract to termination or suspension.

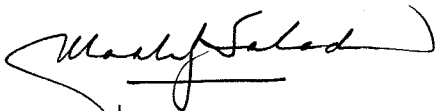
The accompanying ordinance has been approved as to form by County Counsel.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

No impact on current services and projects is anticipated. Approval of the accompanying ordinance will require bidders, contractors and vendors to self-certify that they are in compliance with the ordinance at the time of bid submission, when a contract is awarded or a purchase is finalized, or when a contract is renewed, amended or extended. TTC will randomly audit vendors and contractors for compliance. The affected Department will be notified of vendors found to be out of compliance during this monitoring. Vendors will have ten days to cure the default.

The ordinance contains provisions allowing exceptions for special-circumstance contracts including, but not limited to, contracts with federal or state mandates that require the use of a specified contractor, service-related programs (e.g., voucher programs and foster care), purchase orders under a master agreement already in effect, and other agreed-upon exemptions to ensure uninterrupted customer service and ability of Departments to purchase critical goods and services.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark J. Saladino", written over a horizontal line.

MARK J. SALADINO  
Treasurer and Tax Collector

MJS:drw

C: Chief Executive Officer  
Auditor-Controller  
Executive Officer – Board of Supervisors  
County Counsel